

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, March 24, 1999

IMPLEMENTATION OF AB 553
MAJOR MAINTENANCE, REPAIR AND REPLACEMENT PLAN

PURPOSE OF REPORT

To implement the provisions of Assembly Bill (AB) 553, Chapter 513, Statutes of 1997, regarding the development of a major maintenance, repair and replacement plan for certain projects funded under the Lease-Purchase Program (LPP).

DESCRIPTION

AB 553 included an amendment to Education Code (EC) Section 17014 requiring districts to certify, as part of its annual budget process, that it has developed a major maintenance plan for any project that received funding under the LPP on or after July 1, 1998. This law requires the district to do all of the following as a condition for funding of that project:

- Identify major maintenance, repair and replacement needs of the project.
- Establish a schedule for completing the work.
- Establish a cost estimate of the work to be completed.
- Develop a schedule for funding a reserve to finance the work.
- Review the plan annually as part of the district's annual budget process.
- Make the plan available for public inspection.
- State within the district's annual budget the total funding available and an explanation if this amount is insufficient to complete the work.

RECOMMENDATIONS

Provide as a condition to the release of funds, a district that received a LPP apportionment for Phase C funding on or after July 1, 1998, shall certify by school board resolution that it will meet the conditions of EC 17014 (c) no later than June 30 of the fiscal year in which the project received the Phase C apportionment.

This Item was approved by the State Allocation Board on March 24, 1999.